UNITED STATES DISTRICT COURT FOR THE DISTRICT OF UTAH

Russell Barnes v. Canal Insurance Company

Barnes · No. 1:25-cv-00068-DBB-DBP · Decided June 8, 2026

SUMMARY

The United States District Court for the District of Utah denies Russell Barnes's motion for summary judgment and grants Canal Insurance Company's cross-motion for summary judgment. The court holds that policy employee exclusions bar coverage for Barnes's injuries sustained while serving as a co-driver and resting in a sleeper berth, and that the MCS-90 endorsement does not require coverage because Barnes was an employee and no judgment was entered against the named insured, RussMar Trucking LLC. The court also rejects Barnes's public-policy arguments.

CASE DETAILS

COURT	United States District Court for the District of Utah
WRITING FOR THE COURT	David Barlow
JURISDICTION	United States District Court for the District of Utah
DECIDED	June 8, 2026
DOCKET	1:25-cv-00068-DBB-DBP
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiff and defendant filed cross-motions for summary judgment in an action seeking recovery under an MCS-90 endorsement to a commercial automobile insurance policy. The court denied plaintiff's motion and granted defendant's cross-motion.
STANDARD OF REVIEW	Summary judgment is appropriate when there is no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law. The court views the factual record and reasonable inferences in the light most favorable to the nonmovant and evaluates cross-motions separately.
PRECEDENTIAL VALUE	Unpublished, nonprecedential federal district-court decision
PARTIES	Russell Barnes v. Canal Insurance Company

TOPICS

insurance coverage · summary judgment · contract interpretation · civil procedure · declaratory judgment

PRACTICE AREAS

insurance · contracts · civil procedure · remedies

QUESTIONS PRESENTED

1. Which state's law governs the coverage dispute when the insurance policy contains no choice-of-law provision?
2. Whether the policy's employee and fellow-employee exclusions bar coverage for Russell's injuries while he was resting in the sleeper berth during a commercial haul.
3. Whether the MCS-90 endorsement requires Canal to pay Russell when the judgment was entered against Marilyn rather than the named insured, RussMar Trucking LLC.
4. Whether the MCS-90 endorsement provides coverage for Russell's injuries despite its limitation to public liability and exclusion of injuries to employees.
5. Whether Utah public policy invalidates or narrows the policy exclusions.

HOLDINGS

1. Because Utah and Nebraska law did not materially conflict on the relevant direct-action and contract-interpretation principles, Utah law, as the law of the forum, governed the dispute.
2. The policy's employee and fellow-employee exclusions bar coverage for Russell's bodily injuries because he was an employee within the policy's definition, including while he was resting in the sleeper berth during the haul.
3. The MCS-90 endorsement did not require Canal to pay Russell because it requires payment of a final judgment recovered against the insured, and Russell obtained his judgment against Marilyn rather than RussMar Trucking LLC, the named insured.
4. Even if Russell had obtained a judgment against RussMar, the MCS-90 endorsement would not require payment for his injuries because the endorsement applies to public liability and excludes injuries to employees, and Russell was an employee under both the policy and applicable federal regulations.
5. Utah public policy did not invalidate or narrow the policy exclusions because the governing statutes and policy provisions were unambiguous, and public-policy considerations could not override their plain language.

KEY QUOTATIONS

> *"Resting in a sleeper berth during the haul of a commercial load constitutes the type of "contractual duties on behalf of any insured" described in the Policy's "employee" definition."* (Discussion § II.A)

> *"Consequently, the fact that Russell was sleeping in the truck's berth did not change his status as an "employee" since he was still a co-driver awaiting his next turn to drive."* (Discussion § II.B)

FACTUAL BACKGROUND

Russell Barnes was injured while resting in the sleeper berth of a fully loaded commercial truck driven by Marilyn Barnes, who lost control of the truck in Utah. Russell was a co-driver and independent contractor for RussMar Trucking LLC, which was insured by Canal under a commercial automobile policy containing employee and fellow-employee exclusions and an MCS-90 endorsement. The policy defined employee to include independent contractors and co-drivers whose contractual duties directly affected commercial motor vehicle safety. Russell obtained a state-court judgment against Marilyn but did not sue RussMar, the policy's named insured, and then sought payment from Canal.

PROCEDURAL HISTORY

Russell Barnes was injured in a truck accident and obtained a state-court judgment against Marilyn Barnes, who was the truck owner and Russell's wife, but did not sue RussMar Trucking LLC, the named insured. Russell then filed an action in Utah state court against Canal Insurance Company seeking $750,000 under the policy's MCS-90 endorsement. Canal removed the action to federal court, and the parties filed cross-motions for summary judgment.

DISPOSITION

other

CASES CITED

- Barnes v. Barnes, Civ. No. 240100054, Order on Evidentiary Hearing (First Jud. Dist. Ct. Cache Cnty. Utah Feb. 5, 2025)
- Adler v. Wal-Mart Stores, Inc., 144 F.3d 664, 670–71 (10th Cir. 1998)
- Valentine v. Auto-Owners Ins., 716 F. Supp. 3d 1164, 1172 (D. Utah Feb. 5, 2024)
- Buell Cabinet Co., Inc. v. Sudduth, 608 F.2d 431, 434 (10th Cir. 1979)
- Klaxon Co. v. Stentor Elec. Mfg. Co., 313 U.S. 487, 496 (1941)
- Pepsi-Cola Bottling Co. of Pittsburgh, Inc. v. PepsiCo, Inc., 431 F.3d 1241, 1255 (10th Cir. 2005)
- Nelson v. Safeco Ins. Co. of Ill., No. 2:25-cv-244, 2025 WL 1638542, at *3 (D. Utah June 9, 2025)
- American National Fire Insurance Co. v. Farmers Insurance Exchange, 927 P.2d 186, 188 (Utah 1996)
- Waddoups v. Amalgamated Sugar Co., 2002 UT 69, ¶¶ 14–15, 54 P.3d 1054
- Davis v. Domino’s Pizza, LLC, 8:23-cv-548, 2025 WL 506434, at *4 (D. Neb. Feb. 14, 2025)
- St. Paul Fire & Marine Ins. v. Commercial Union Assurance, 606 P.2d 1206, 1208 n.1 (Utah 1980)
- Gibbons Ranches, LLC v. Bailey, 857 N.W.2d 808, 814 (Neb. 2015)
- Hambelton v. Canal Ins. Co., 405 F. App'x 321, 323 (10th Cir. 2010)
- Tri-State Ins. Co. v. Loper, 204 F.2d 557, 558–59 (10th Cir. 1953)
- Consumers County Mutual Insurance Co. v. P.W. & Sons Trucking, Inc., 307 F.3d 362 (5th Cir. 2002)
- Perry v. Harco National Insurance Co., 129 F.3d 1072 (9th Cir. 1997)
- Taniguchi v. Kan Pacific Saipan, Ltd., 566 U.S. 560, 566 (2012)
- E.W. v. Health Net Life Ins. Co., 86 F.4th 1265, 1285–86 (10th Cir. 2023)

- Cougar Canyon Loan, LLC v. Cypress Fund, LLC, 2020 UT 28, ¶ 14, 466 P.3d 171
